

June 7, 1995

TO: Jose Fontanez  
FROM: Susan Charney-Moore  
RE: IEBA Convention

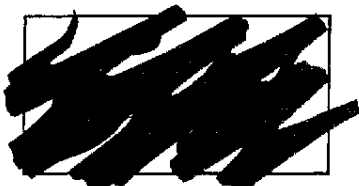
The IEBA convention was primarily an open forum for talent buyers representing state and county fairs to talk with agents and air their grievances about the rising cost of talent.

During the panel discussion "Entertainment Costs", the panel was made up of talent buyers representing large fairs such as Barbara Williams from the North Carolina State Fair, Glenn Smith represented his company as the buyers for the Texas State Fair, Richard Brewer from the Chattanooga Riverbend Festival and Wesley Oler represented fairs in Florida. The discussion focused mostly on the rising cost of buying talent with arguments from the fairs that the talent is pricing itself out of the market and talent agents explaining that country music production costs have gotten so high that artists need more money to cover their expenses.

There were two points that I thought were interesting for Marlboro. The first is that government funding of the fairs has been significantly reduced in recent years making them more reliant on corporate sponsorships for their survival. The second is that with tighter budgets, the fairs are taking more time to research the artists ability to sell in their market and are looking more closely at the support that the artist is getting from their record label. Because country music has in recent years produced several one hit or one album artists, it's very important to the fairs that the artist they book in the fall is still strong the next summer.

The Country Music Association presented a panel on the research available through Simmons as well as an overview of the sponsors who are now involved with country music. Enclosed is their hand out and the latest research from Simmons. Some new sponsors of country music include Dentyne chewing gum, Kellogg cereals and Lipton tea. Crown Royal, Jim Beam, Miller and Budweiser are continuing their sponsorship of artist's tours this year.

The talent agents had a panel for the buyers to talk about their concerns. The agents were very honest when they told the fairs that the nature of the country touring and the artists themselves have changed considerably in the past five years. Until recently, artists and managers believed strongly in using the fairs to build a solid foundation of fans and to hone the artists performance skills. It was also a well known fact that the fairs had bigger budgets and didn't rely on the artists to sell hard tickets, so it was a safe performance in the market for more money than they would have made otherwise.



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Now, the artists careers are moving a lot faster and they don't have to take the time to build foundations of fans... they are going from opening act to headliner in a matter of a few months. There is no loyalty anymore or any sense of community that once existed between the fairs and the artists. Also, with the budget cutbacks at the fairs the money is not as good as it once was and the artists are not as willing to perform.

Overall, the sense I got is that fewer artists are willing to play the state and county fairs and they are not willing to work with the fairs on their fees. It definitely looks as though there is a greater need and opportunity for sponsors like Marlboro to step in and support these community-based events. It should become easier for Marlboro to pick the fair markets that are best for the brand each year.

Enclosed is a copy of the IEBA program book which has a listing of all of their members.

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